

ELLIS COUNTY, KANSAS

Hays, Kansas

Primary Government Financial Statements
with Independent Auditors' Report

For the Year Ended December 31, 2007

ELLIS COUNTY, KANSAS
Primary Government Financial Statements
with Independent Auditors' Report
For the Year Ended December 31, 2007

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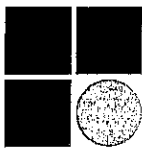
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Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Ellis County, Kansas
1204 Fort
Hays, KS 67601

We have audited the accompanying financial statements of **Ellis County, Kansas**, as of and for the year ended December 31, 2007, as listed in the table of contents. These financial statements are the responsibility of **Ellis County, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the County's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for these component units to be reported with the financial data of the County's primary government, unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the cash and unencumbered cash balances of the aggregate discretely presented component unit would have been reported as \$23,657 for the Fair Board. The cash and unencumbered cash balance of Ellis County Housing Authority is not known.

As described more fully in Note 1, **Ellis County, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the two preceding paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Ellis County, Kansas**, as of December 31, 2007, or changes in financial position for the year then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Ellis County, Kansas**, as of December 31, 2007, and their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2008, on our consideration of **Ellis County, Kansas'** internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other,

matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise **Ellis County, Kansas'** financial statements. The accompany schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of **Ellis County, Kansas**. The schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole on the basis of accounting described in Note 1.

Adams, Brown, Beran & Ball

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

September 29, 2008

ELLIS COUNTY, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2007

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Fund	\$ 3,188,876	-	6,672,706	7,142,428	2,719,154	212,911	2,932,065
Special Revenue Funds							
Road and Bridge Fund	733,900	-	4,431,303	4,506,371	658,832	212,297	871,129
Special Bridge Fund	163,076	-	108,081	157,825	113,332	1,852	115,184
Special Road Machinery Fund	179,755	-	140,000	-	319,755	-	319,755
Special Highway Improvement Fund	150,000	-	125,000	150,000	125,000	-	125,000
Ambulance Fund	459,492	-	1,840,414	1,575,035	523,871	87,349	611,220
Appraisal Fund	112,296	-	414,331	382,666	143,961	14,510	158,471
Health Fund	350,090	-	373,058	409,701	313,447	11,975	325,422
Employee Benefit Fund	6,640	-	1,241,808	1,067,634	180,814	15,782	196,596
County Building Fund	4,579	-	99,491	90,977	13,093	33,393	46,486
Economic Development Fund	3,737	-	162,822	166,559	-	-	-
Fair Fund	2,192	-	103,733	105,915	10	-	10
Fair Operating Fund	(2,235)	-	133,416	130,880	301	5,626	5,927
Fair Rent Fund	29,458	-	49,875	52,403	26,930	-	26,930
Mental Health Fund	-	-	178,284	178,284	-	-	-
Mental Retardation Fund	-	-	334,762	334,762	-	-	-
Senior Citizen Fund	5,093	-	107,552	112,611	-	-	-
Special Parks and Recreation Fund	1	-	5,288	4,222	34	-	34
Special Alcohol Fund	-	-	9,098	7,159	1,067	-	1,067
Risk Management Reserve Fund	219,774	-	50,000	-	1,939	-	1,939
Capital Improvement Reserve Fund	202,569	-	1,090,000	418,108	269,774	-	269,774
Capital Equipment Reserve Fund	425,540	-	97,500	60,147	874,461	151,000	1,025,461
911 Tax Fund	20,890	-	121,462	126,488	462,893	18,186	481,079
Cellular 911 Tax Fund	87,470	-	52,448	17,579	15,864	3,471	19,335
Cellular 911 Grant Fund	1	-	-	1	122,339	2,381	124,720
Register of Deeds Technology Fund	164,264	-	46,070	129,694	-	-	-
Drug Enforcement Unit Trust Fund	130,940	-	32,452	36,173	80,640	-	80,640
Munitor Grant Fund	-	-	3,887	-	127,219	-	127,219
Rural Fire District No. 1 Fund	67,752	-	370,765	301,952	136,565	25,757	162,322
Special Fire Machinery Fund	74,849	-	15,000	39,175	50,674	-	50,674
Proprietary Fund							
Enterprise Funds							
Solid Waste Fund	77,929	-	1,013,798	1,050,446	41,281	85,695	126,976
Solid Waste Depreciation Reserve Fund	105,243	-	-	750	104,493	-	104,493
Solid Waste Post-Closure Fund	129,983	-	12,300	-	142,283	-	142,283
Fiduciary Fund							
Private Purpose Trust Funds							
Prosecuting Attorney's Training Fund	3,554	-	4,295	2,428	5,421	-	5,421
Special Motor Vehicle Fund	118,826	-	218,502	250,036	87,292	-	87,292
Total - Primary Government	\$ 7,216,534	-	19,459,501	19,013,296	7,662,739	882,185	8,544,924

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2007

Composition of Cash:		
Checking Accounts	\$	1,647,910
Savings Accounts		159,757
Certificates of Deposit		27,506,815
Temporary Notes		-
Kansas Municipal Investment Pool		1,814,756
Cash on Deposit		31,129,238
Cash on Hand		163,392
Total Cash		31,292,630
Agency Funds Per Statement 4		(22,747,706)
Total Reporting Entity (Excluding Agency Funds)	\$	8,544,924

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Summary of Expenditures - Actual and Budget
For the Year Ended December 31, 2007

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Favorable (Unfavorable)
Governmental Funds					
General Fund	\$ 7,887,980	-	7,887,980	7,142,428	745,552
Special Revenue Funds					
Road and Bridge Fund	4,146,257	552,125	4,698,382	4,506,371	192,011
Special Bridge Fund	150,000	76,812	226,812	157,825	68,987
Ambulance Fund	1,626,500	-	1,626,500	1,576,035	50,465
Appraisal Fund	464,882	-	464,882	382,666	82,216
Health Fund	422,767	-	422,767	409,701	13,066
Employee Benefit Fund	1,247,133	-	1,247,133	1,067,634	179,499
County Building Fund	96,300	-	96,300	90,977	5,323
Economic Development Fund	171,000	-	171,000	166,559	4,441
Fair Fund	105,915	-	105,915	105,915	-
Mental Health Fund	180,000	-	180,000	178,284	1,716
Mental Retardation Fund	336,500	-	336,500	334,762	1,738
Senior Citizen Fund	112,611	-	112,611	112,611	-
Special Parks and Recreation Fund	12,528	-	12,528	4,222	8,306
Special Alcohol Fund	22,525	-	22,525	7,159	15,366
Rural Fire District No. 1 Fund	385,066	-	385,066	301,952	83,114
Proprietary Fund					
Enterprise Funds					
Solid Waste Fund	1,113,220	-	1,113,220	1,050,446	62,774
Solid Waste Depreciation Reserve Fund	145,415	-	145,415	750	144,665

ELLIS COUNTY, KS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 5,497,815	5,185,583	5,042,284	143,299
Intergovernmental	9,099	8,351	-	8,351
Licenses and Fees	445,852	438,470	168,500	269,970
Federal Aid	54,342	32,123	-	32,123
Homeland Security Grant - KDHP	261,081	21,806	-	21,806
Use of Money & Property	681,640	952,499	331,900	620,599
Miscellaneous	54,740	33,874	10,000	23,874
Total Cash Receipts	7,004,569	6,672,706	5,552,684	1,120,022
Expenditures:				
County Attorney	334,748	347,331	349,469	2,138
County Commission	52,560	55,444	61,040	5,596
Courthouse General	1,200,489	1,482,741	1,872,890	390,149
County Clerk	192,613	200,327	237,740	37,413
Unified Courts	187,860	194,026	195,850	1,824
Custodians	76,673	81,901	84,510	2,609
Computer Information Services	310,506	302,138	333,508	31,370
Register of Deeds	97,331	100,794	110,544	9,750
County Treasurer	326,651	334,999	340,872	5,873
Sheriff	1,366,828	1,560,984	1,539,659	(21,325)
Coroner	49,297	60,839	70,000	9,161
County Counselor	53,914	50,757	60,270	9,513
Juvenile Detention	27,790	14,265	44,850	30,585
Emergency Preparedness	377,282	102,229	72,005	(30,224)
Health Insurance	1,643,975	1,812,505	1,973,875	161,370
Conservation District	55,516	70,242	70,242	-
Election	153,983	48,670	83,420	34,750
Extension Council	195,000	232,236	232,236	-
Economic Development	-	-	65,000	65,000
Historical Society	80,000	90,000	90,000	-
Community College Tuition	8,832	-	-	-
Total Expenditures	6,791,848	7,142,428	7,887,980	745,552
Receipts Over (Under) Expenditures	212,721	(469,722)		
Unencumbered Cash, January 1	2,976,155	3,188,876		
Unencumbered Cash, December 31	\$ 3,188,876	2,719,154		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
County Attorney:				
Personal Services	\$ 302,756	319,015	320,109	1,094
Contractual Services	24,250	13,669	17,860	4,191
Commodities	328	3,699	6,500	2,801
Capital Outlay	7,914	11,448	5,000	(6,448)
Reimbursed Expenses	(500)	(500)	-	500
Department Total	334,748	347,331	349,469	2,138
County Commissioners:				
Personal Services	48,000	49,691	49,440	(251)
Contractual Services	4,291	6,117	8,800	2,683
Commodities	582	236	500	264
Capital Outlay	-	-	2,300	2,300
Reimbursed Expenses	(313)	(600)	-	600
Department Total	52,560	55,444	61,040	5,596
Courthouse General:				
Personal Services	1,661	1,841	20,500	18,659
Contractual Services	477,706	352,227	424,640	72,413
Commodities	12,319	10,585	72,000	61,415
Capital Outlay	732,469	82,529	170,000	87,471
Junior Free Fair	3,250	3,250	3,250	-
Appropriations - Other	77,750	87,750	87,500	(250)
Humane Society	5,000	5,000	5,000	-
Debt Service - Temporary Notes	-	-	-	-
Transfers Out	30,000	1,075,000	1,075,000	-
Reimbursed Expenses	(139,666)	(135,441)	15,000	150,441
Department Total	1,200,489	1,482,741	1,872,890	390,149
County Clerk:				
Personal Services	177,350	184,768	202,323	17,555
Contractual Services	10,811	12,184	18,117	5,933
Commodities	2,926	3,722	5,100	1,378
Capital Outlay	1,450	715	10,700	9,985
Transfers Out	1,500	1,500	1,500	-
Reimbursed Expenses	(1,424)	(2,562)	-	2,562
Department Total	192,613	200,327	237,740	37,413
Unified Courts:				
Contractual Services	176,410	188,407	164,950	(23,457)
Commodities	16,105	13,501	13,000	(501)
Capital Outlay	39,775	27,077	17,900	(9,177)
Reimbursed Expenses	(44,430)	(34,959)	-	34,959
Department Total	187,860	194,026	195,850	1,824
Total Expenditures				
Carried Forward	\$ 1,968,270	2,279,869	2,716,989	437,120

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Total Expenditures				
Brought Forward	\$ 1,968,270	2,279,869	2,716,989	437,120
Custodians:				
Personal Services	66,714	69,701	69,780	79
Contractual Services	1,852	2,601	3,250	649
Commodities	7,052	8,787	10,280	1,493
Capital Outlay	1,055	812	1,200	388
Department Total	76,673	81,901	84,510	2,609
Computer Information Services:				
Personal Services	145,486	162,778	173,858	11,080
Contractual Services	91,466	59,443	66,650	7,207
Commodities	11,991	12,265	13,600	1,335
Capital Outlay	37,020	41,542	34,400	(7,142)
Transfers Out	25,000	30,000	45,000	15,000
Reimbursed Expenses	(457)	(3,890)	-	3,890
Department Total	310,506	302,138	333,508	31,370
Register of Deeds:				
Personal Services	94,797	98,410	98,524	114
Contractual Services	4,239	4,241	8,020	3,779
Commodities	3,956	3,703	4,000	297
Reimbursed Expenses	(5,661)	(5,560)	-	5,560
Department Total	97,331	100,794	110,544	9,750
County Treasurer:				
Personal Services	286,242	287,609	281,872	(5,737)
Contractual Services	60,175	65,744	46,500	(19,244)
Commodities	6,095	5,670	5,500	(170)
Capital Outlay	6,022	2,436	6,000	3,564
Transfers Out	4,250	1,000	1,000	-
Reimbursed Expenses	(36,133)	(27,460)	-	27,460
Department Total	326,651	334,999	340,872	5,873
Sheriff:				
Personal Services	967,141	1,119,928	1,151,009	31,081
Contractual Services	182,945	233,027	162,150	(70,877)
Commodities	154,810	170,206	142,400	(27,806)
Capital Outlay	59,081	36,404	54,100	17,696
Transfers Out	30,000	30,000	30,000	-
Reimbursed Expenses	(27,149)	(28,581)	-	28,581
Department Total	1,366,828	1,560,984	1,539,659	(21,325)
Total Expenditures				
Carried Forward	\$ 4,146,259	4,660,685	5,126,082	465,397

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Total Expenditures Brought Forward	\$ 4,146,259	4,660,685	5,126,082	465,397
Coroner:				
Personal Services	34,712	33,751	35,000	1,249
Contractual Services	23,291	35,238	30,000	(5,238)
Commodities	131	215	-	(215)
Capital Outlay	-	-	5,000	5,000
Reimbursed Expenses	(8,837)	(8,365)	-	8,365
Department Total	49,297	60,839	70,000	9,161
County Counselor	53,914	50,757	60,270	9,513
Juvenile Detention:				
Contractual Services	27,790	14,265	44,850	30,585
Department Total	27,790	14,265	44,850	30,585
Emergency Preparedness:				
Personal Services	54,857	38,079	36,390	(1,689)
Contractual Services	59,500	31,873	20,195	(11,678)
Commodities	3,463	8,128	5,580	(2,548)
Capital Outlay	116	3,537	9,840	6,303
Homeland Security Grant - KDHP	261,081	21,806	-	(21,806)
Reimbursed Expenses	(1,735)	(1,194)	-	1,194
Department Total	377,282	102,229	72,005	(30,224)
Health Insurance:				
Contractual Services	5,392	5,481	-	(5,481)
Premiums	1,733,423	1,928,894	1,923,875	(5,019)
Transfers Out	50,000	50,000	50,000	-
Reimbursed Expenses	(144,840)	(171,870)	-	171,870
Department Total	1,643,975	1,812,505	1,973,875	161,370
Conservation District	55,516	70,242	70,242	-
Election Fund:				
Personal Services	26,347	15,450	29,000	13,550
Contractual Services	35,178	19,702	37,410	17,708
Commodities	20,788	7,393	6,250	(1,143)
Capital Outlay	26,931	1,125	5,760	4,635
Transfers Out	46,000	5,000	5,000	-
Reimbursed Expenses	(1,261)	-	-	-
Department Total	153,983	48,670	83,420	34,750
Total Expenditures Carried Forward	\$ 6,508,016	6,820,192	7,500,744	680,552

ELLIS COUNTY, KS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Total Expenditures Brought Forward	\$ 6,508,016	6,820,192	7,500,744	680,552
Extension Council	195,000	232,236	232,236	-
Economic Development	-	-	65,000	65,000
Historical Society	80,000	90,000	90,000	-
Community College Tuition	8,832	-	-	-
Total Expenditures	\$ <u>6,791,848</u>	<u>7,142,428</u>	<u>7,887,980</u>	<u>745,552</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Road and Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 2,562,959	2,765,392	2,800,665	(35,273)
Intergovernmental	942,624	973,786	948,702	25,084
Sale of Chemicals & Treatment	382,364	429,590	125,000	304,590
Equipment Sales	250,000	-	-	-
Federal Aid	-	187,189	-	187,189
Miscellaneous	80,671	75,346	15,000	60,346
Total Cash Receipts	4,218,618	4,431,303	3,889,367	541,936
Expenditures:				
Personal Services	1,422,930	1,594,940	1,656,365	61,425
Contractual Services	249,873	292,795	351,525	58,730
Commodities	1,705,763	1,842,008	1,452,440	(389,568)
Capital Outlay	287,232	444,446	591,100	146,654
County Planning and Zoning	8,050	8,050	9,150	1,100
Debt Service	67,941	59,132	60,677	1,545
Transfers Out	250,000	265,000	25,000	(240,000)
(a) Budget Credit	-	-	552,125	552,125
Total Expenditures	3,991,789	4,506,371	4,698,382	192,011
Receipts Over (Under) Expenditures	226,829	(75,068)		
Unencumbered Cash, January 1	507,071	733,900		
Unencumbered Cash, December 31	\$ 733,900	658,832		
(a) Budget Credit				
Excess Sales of Chemicals and Treatment over Amount Budgeted		\$ 304,590		
Excess Federal Aid over Amount Budgeted		187,189		
Excess Miscellaneous Income over Amount Budgeted		60,346		
Total Budget Credit		\$ 552,125		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 50,475	23,985	25,190	(1,205)
State Aid	34,500	76,812	-	76,812
Miscellaneous	2,175	7,284	-	7,284
Total Cash Receipts	87,150	108,081	25,190	82,891
Expenditures:				
Contractual Services	62,709	100,152	55,000	(45,152)
Capital Outlay	41,439	18,500	55,000	36,500
Debt Service	-	39,173	40,000	827
(a) Budget Credit	-	-	76,812	76,812
Total Expenditures	104,148	157,825	226,812	68,987
Receipts Over (Under) Expenditures	(16,998)	(49,744)		
Unencumbered Cash, January 1	180,074	163,076		
Unencumbered Cash, December 31	\$ 163,076	113,332		

(a) Budget Credit

Excess Actual State Aid over
Amount Budgeted

\$ 76,812

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Road Machinery Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts:		
Transfers In	\$ 100,000	140,000
 Unencumbered Cash, January 1	 <u>79,755</u>	 <u>179,755</u>
Unencumbered Cash, December 31	 <u><u>\$ 179,755</u></u>	 <u><u>319,755</u></u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Highway Improvement Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 150,000	125,000
Expenditures		
Capital Outlay	-	150,000
Receipts Over Expenditures	150,000	(25,000)
Unencumbered Cash, January 1	-	150,000
Unencumbered Cash, December 31	\$ 150,000	125,000

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Ambulance Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006).

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 781,519	870,135	872,025	(1,890)
State Aid	1,350	1,695	-	1,695
Collections	718,470	768,584	510,000	258,584
Total Cash Receipts	<u>1,501,339</u>	<u>1,640,414</u>	<u>1,382,025</u>	<u>258,389</u>
Expenditures:				
Personal Services	1,265,204	1,283,758	1,338,000	54,242
Contractual Services	117,586	116,700	100,000	(16,700)
Commodities	68,583	87,139	83,500	(3,639)
Capital Outlay	102,234	88,438	105,000	16,562
Total Expenditures	<u>1,553,607</u>	<u>1,576,035</u>	<u>1,626,500</u>	<u>50,465</u>
Receipts Over (Under) Expenditures	(52,268)	64,379		
Unencumbered Cash, January 1	<u>511,760</u>	<u>459,492</u>		
Unencumbered Cash, December 31	\$ <u>459,492</u>	<u>523,871</u>		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Appraisal Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 349,622	408,865	411,087	(2,222)
Miscellaneous	5,148	5,466	-	5,466
Total Cash Receipts	354,770	414,331	411,087	3,244
Expenditures:				
Personal Services	303,033	320,828	379,582	58,754
Contractual Services	30,675	29,879	44,300	14,421
Commodities	6,560	6,099	7,000	901
Capital Outlay	2,080	860	9,000	8,140
Transfers Out	25,000	25,000	25,000	-
Total Expenditures	367,348	382,666	464,882	82,216
Receipts Over (Under) Expenditures	(12,578)	31,665		
Unencumbered Cash, January 1	124,874	112,296		
Unencumbered Cash, December 31	\$ 112,296	143,961		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Health Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 89,884	91,532	92,206	(674)
Intergovernmental	22,769	19,700	45,000	(25,300)
Federal Aid	37,607	35,491	-	35,491
Health Care Services	199,985	226,335	90,000	136,335
Total Cash Receipts	350,245	373,058	227,206	145,852
Expenditures:				
Personal Services	235,204	246,268	253,112	6,844
Contractual Services	34,407	33,427	44,655	11,228
Commodities	80,707	107,667	99,500	(8,167)
Capital Outlay	5,689	10,348	13,500	3,152
Non-Appropriated	10,139	11,991	12,000	9
Total Expenditures	366,146	409,701	422,767	13,066
Receipts Over (Under) Expenditures	(15,901)	(36,643)		
Unencumbered Cash, January 1	365,991	350,090		
Unencumbered Cash, December 31	\$ 350,090	313,447		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Employee Benefit Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 864,863	1,229,082	1,246,966	(17,884)
Miscellaneous	20,340	12,726	-	12,726
Total Cash Receipts	885,203	1,241,808	1,246,966	(5,158)
Expenditures:				
Social Security Taxes	415,969	443,629	490,000	46,371
Employee Retirement	242,311	433,535	500,133	66,598
Workmen's Comp. Insurance	219,904	188,852	250,000	61,148
Unemployment Taxes	5,822	1,618	7,000	5,382
Total Expenditures	884,006	1,067,634	1,247,133	179,499
Receipts Over (Under) Expenditures	1,197	174,174		
Unencumbered Cash, January 1	5,443	6,640		
Unencumbered Cash, December 31	\$ 6,640	180,814		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KANSAS

County Building Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 48,355	99,491	96,300	3,191
Expenditures:				
Contractual Services	9,386	28,110	12,100	(16,010)
Commodities	7,044	14,595	14,200	(395)
Capital Outlay	30,518	28,272	50,000	21,728
Transfers Out	12,000	20,000	20,000	-
Total Expenditures	58,948	90,977	96,300	5,323
Receipts Over (Under) Expenditures	(10,593)	8,514		
Unencumbered Cash, January 1	15,172	4,579		
Unencumbered Cash, December 31	\$ 4,579	13,093		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Economic Development Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 110,593	162,822	168,531	(5,709)
Expenditures:				
Contractual Services	27,081	30,934	31,000	66
Appropriations	85,000	135,625	140,000	4,375
Total Expenditures	112,081	166,559	171,000	4,441
Receipts Over (Under) Expenditures	(1,488)	(3,737)		
Unencumbered Cash, January 1	5,225	3,737		
Unencumbered Cash, December 31	\$ 3,737	-		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Fair Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 94,591	103,733	104,682	(949)
Expenditures:				
Appropriations	95,915	105,915	79,315	(26,600)
Commodities	-	-	20,600	20,600
Capital Outlay	-	-	6,000	6,000
Total Expenditures	95,915	105,915	105,915	-
Receipts Over (Under) Expenditures	(1,324)	(2,182)		
Unencumbered Cash, January 1	3,516	2,192		
Unencumbered Cash, December 31	\$ 2,192	10		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Fair Operating Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Appropriations	\$ 95,915	105,915
State Grants	-	1,500
Transfers In	-	16,338
Miscellaneous	4,136	9,663
Total Cash Receipts	100,051	133,416
Expenditures:		
Contractual Services	82,151	81,383
Commodities	22,907	36,653
Capital Outlay	-	12,844
Total Expenditures	105,058	130,880
Receipts Over (Under) Expenditures	(5,007)	2,536
Unencumbered Cash, January 1	2,772	(2,235)
Unencumbered Cash, December 31	\$ (2,235)	301

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Fair Rent Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Rent	\$ 35,870	38,350
Fees	-	11,525
Total Cash Receipts	35,870	49,875
Expenditures:		
Personal Services	10,734	11,335
Contractual Services	4,261	1,104
Commodities	1,984	-
Capital Outlay	129	-
Refunds	2,623	13,400
Transfers Out	-	16,338
Principal Payments	11,114	9,965
Interest Payments	650	261
Total Expenditures	31,495	52,403
Receipts Over (Under) Expenditures	4,375	(2,528)
Unencumbered Cash, January 1	25,083	29,458
Unencumbered Cash, December 31	\$ 29,458	26,930

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

Mental Health Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 149,415	178,284	180,000	(1,716)
Expenditures:				
Appropriations	149,415	178,284	180,000	1,716
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash , January 1	-	-		
Unencumbered Cash , December 31	\$ -	-		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Mental Retardation Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 335,717	334,762	336,500	(1,738)
Expenditures:				
Appropriations	335,717	334,762	336,500	1,738
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash , January 1	-	-		
Unencumbered Cash, December 31	\$ -	-		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Senior Citizens Fund

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

			Current Year		Variance Favorable (Unfavorable)
			Actual	Budget	
Cash Receipts:		Prior Year Actual			
Taxes	\$	98,650	107,552	108,368	(816)
Expenditures:					
Appropriations		100,475	112,611	112,611	-
Receipts Over (Under) Expenditures		(1,825)	(5,059)		
Unencumbered Cash, January 1		6,918	5,093		
Unencumbered Cash, December 31	\$	5,093	34		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Parks and Recreation Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Intergovernmental	\$ 5,511	5,288	5,483	(195)
Expenditures:				
Appropriations	7,067	4,222	12,528	8,306
Receipts Over (Under) Expenditures	(1,556)	1,066		
Unencumbered Cash, January 1	1,557	1		
Unencumbered Cash, December 31	\$ 1	1,067		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Alcohol Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Favorable (Unfavorable)
Cash Receipts:				
Intergovernmental	\$ 9,970	9,098	10,965	(1,867)
Expenditures:				
Appropriations	12,312	7,159	22,525	15,366
Receipts Over (Under) Expenditures	(2,342)	1,939		
Unencumbered Cash, January 1	2,342	-		
Unencumbered Cash, December 31	\$ -	1,939		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
 Risk Management Reserve Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 50,000	50,000
Unencumbered Cash, January 1	<u>169,774</u>	<u>219,774</u>
Unencumbered Cash, December 31	<u>\$ 219,774</u>	<u>269,774</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Capital Improvement Reserve Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 37,000	1,090,000
Expenditures:		
Capital Outlay	-	418,108
Total Expenditures	-	418,108
Receipts Over (Under) Expenditures	37,000	671,892
Unencumbered Cash, January 1	165,223	202,569
Prior Year Cancelled Encumbrances	346	-
Unencumbered Cash, December 31	\$ 202,569	874,461

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Capital Equipment Reserve Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 136,750	97,500
Expenditures:		
Contractual	-	16,147
Capital Outlay	44,206	44,000
Total Expenditures	44,206	60,147
Receipts Over (Under) Expenditures	92,544	37,353
Unencumbered Cash, January 1	332,996	425,540
Unencumbered Cash, December 31	\$ 425,540	462,893

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS

911 Tax Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Collections	\$ 113,752	119,115
Interest	2,951	2,281
Miscellaneous	1,275	66
Total Cash Receipts	117,978	121,462
Expenditures:		
Contractual Services	42,388	60,621
Commodities	9,551	1,416
Debt Service	75,000	64,451
Total Expenditures	126,939	126,488
Receipts Over (Under) Expenditures	(8,961)	(5,026)
Unencumbered Cash, January 1	29,851	20,890
Unencumbered Cash, December 31	\$ 20,890	15,864

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Cellular 911 Tax Fund

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Collections	\$ 50,036	52,448
Expenditures:		
Contractual	10,592	15,076
Commodities	2,706	1,121
Capital Outlay	-	1,382
Total Expenditures	13,298	17,579
Receipts Over (Under) Expenditures	36,738	34,869
Unencumbered Cash, January 1	50,732	87,470
Unencumbered Cash, December 31	\$ 87,470	122,339

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Cellular 911 Grant Fund

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
State Wireless Grant	\$ 11,764	-
Expenditures:		
Contractual Services	5,896	1
Capital Outlay	2,706	-
Total Expenditures	8,602	1
Receipts Over (Under) Expenditures	3,162	(1)
Unencumbered Cash, January 1	(3,161)	1
Unencumbered Cash, December 31	\$ 1	-

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Register of Deeds Technology Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts:		
Fees	\$ 46,214	46,070
Expenditures:		
Capital Outlay	<u>3,026</u>	<u>129,694</u>
Receipts Over (Under) Expenditures	43,188	(83,624)
Unencumbered Cash, January 1	<u>121,076</u>	<u>164,264</u>
Unencumbered Cash, December 31	\$ <u><u>164,264</u></u>	<u><u>80,640</u></u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Drug Enforcement Unit Trust Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
State Aid	\$ 363	94
Interest	4,103	6,752
Drug Enforcement Receipts	156,340	25,606
Total Cash Receipts	<u>160,806</u>	<u>32,452</u>
Expenditures:		
Public Safety	69,073	36,173
Receipts Over (Under) Expenditures	91,733	(3,721)
Unencumbered Cash, January 1	<u>39,207</u>	<u>130,940</u>
Unencumbered Cash, December 31	<u>\$ 130,940</u>	<u>127,219</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Munior Grant Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Miscellaneous	\$ -	3,887
Federal Aid	46,593	-
Total Cash Receipts	46,593	3,887
Expenditures:		
Contractual	44,723	143
Debt Retired	1,870	3,744
Total Expenditures	46,593	3,887
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	-	-
Unencumbered Cash, December 31	\$ -	-

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Rural Fire District No. 1 Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 370,346	369,306	370,354	(1,048)
Federal Aid	128,223	-	-	-
Miscellaneous	9,018	1,459	-	1,459
Total Cash Receipts	507,587	370,765	370,354	411
Expenditures:				
Personal Services	59,179	48,152	68,235	20,083
Contractual Services	100,313	104,329	124,225	19,896
Commodities	62,734	39,343	64,265	24,922
Capital Outlay	169,721	59,088	27,300	(31,788)
Temporary Note	40,000	36,040	76,041	40,001
Transfers Out	25,000	15,000	25,000	10,000
Total Expenditures	456,947	301,952	385,066	83,114
Receipts Over (Under) Expenditures	50,640	68,813		
Unencumbered Cash, January 1	17,112	67,752		
Unencumbered Cash, December 31	\$ 67,752	136,565		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Fire Machinery Fund
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 25,000	15,000
Expenditures:		
Capital Outlay	-	39,175
Receipts Over (Under) Expenditures	25,000	(24,175)
Unencumbered Cash, January 1	39,731	74,849
Prior Year Cancelled Encumbrances	10,118	-
Unencumbered Cash, December 31	\$ 74,849	50,674

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KANSAS

Solid Waste Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2007

(With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts:				
Collection Fees	\$ 938,965	980,535	1,110,000	(129,465)
Miscellaneous	38,663	33,263	-	33,263
Total Cash Receipts	977,628	1,013,798	1,110,000	(96,202)
Expenditures:				
Personal Services	202,796	221,774	250,540	28,766
Contractual Services	757,736	779,766	784,075	4,309
Commodities	31,273	35,868	41,305	5,437
Capital Outlay	1,036	738	22,300	21,562
Transfers Out	12,980	12,300	15,000	2,700
Total Expenditures	1,005,821	1,050,446	1,113,220	62,774
Receipts Over (Under) Expenditures	(28,193)	(36,648)		
Unencumbered Cash, January 1	106,122	77,929		
Unencumbered Cash, December 31	\$ 77,929	41,281		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KANSAS
Solid Waste Depreciation Reserve Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
Cash Receipts:				
Transfers In	\$ -	-	<u>15,000</u>	<u>(15,000)</u>
Expenditures:				
Capital Outlay	<u>10,172</u>	<u>750</u>	<u>145,415</u>	<u>144,665</u>
Receipts Over (Under) Expenditures	(10,172)	(750)		
Unencumbered Cash, January 1	<u>115,415</u>	<u>105,243</u>		
Unencumbered Cash, December 31	\$ <u>105,243</u>	<u>104,493</u>		

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Solid Waste Post - Closure Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Transfers In	\$ 12,980	12,300
Unencumbered Cash, January 1	<u>117,003</u>	<u>129,983</u>
Unencumbered Cash, December 31	<u>\$ 129,983</u>	<u>142,283</u>

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
 Prosecuting Attorney's Training Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Collections	\$ 4,373	4,295
Expenditures:		
Contractual Services	1,100	330
Payments to Other Governments	2,165	2,098
Total Expenditures	3,265	2,428
Receipts Over (Under) Expenditures	1,108	1,867
Unencumbered Cash, January 1	2,446	3,554
Unencumbered Cash, December 31	\$ 3,554	5,421

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Special Motor Vehicle Fund
 Statement of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2007
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2006)

	Prior Year Actual	Current Year Actual
Cash Receipts:		
Collections	\$ 146,881	218,502
Expenditures:		
Payments to Other Governments	143,665	250,036
Receipts Over (Under) Expenditures	3,216	(31,534)
Unencumbered Cash, January 1	115,610	118,826
Unencumbered Cash, December 31	\$ 118,826	87,292

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Distributable Funds, State Funds, and Subdivision Funds
Statement of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2007

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Distributable Funds				
Current Tax	\$ 19,073,644	20,397,049	19,073,644	20,397,049
Advance Tax	1	2,952	2,952	1
Vehicle Tax	4,549	1,437,828	1,437,433	4,944
Vehicle Excise Tax	16,459	34,979	34,682	16,756
Refunding Warrants	(3,678)	31,315	60,883	(33,246)
Homestead Credit	(16,447)	16,447	37,559	(37,559)
Escaped Tax	2,252	2,561	-	4,813
Delinquent Personal Property	87,409	152,508	168,716	71,201
Delinquent Real Estate	115,122	191,754	144,286	162,590
Partial Delinquent Personal Property	99,053	16,981	14,194	101,840
Partial Delinquent Real Estate	27,628	87,396	82,873	32,151
Severance Tax	76,944	245,400	245,638	76,706
Special Assessment	17,484	18,084	22,871	12,697
Transient Deposit	50	121	121	50
Returned Checks	(1,044)	12,437	13,540	(2,147)
Concealed Gun Application	1,080	1,680	-	2,760
State Set-Off Program	-	181	237	(56)
Motor Vehicle Tax	815,669	2,974,067	3,027,068	762,668
Total Distributable Funds	\$ 20,316,175	25,623,740	24,366,697	21,573,218
Clearing Accounts	\$ 1,932	134,073	135,909	96
Unclaimed Money	\$ 4,133	-	-	4,133
Revitalization Program	\$ 725	67,269	67,169	825
Drug Forfeiture	\$ 73,859	2,007	15,626	60,240
State Funds				
State Institutional Building	\$ -	167,573	167,573	-
State General Fund	-	50	50	-
State Educational Building	-	335,146	335,146	-
Total State Funds	\$ -	502,769	502,769	-
Subdivision Funds				
Cities	\$ 204,136	5,868,963	5,799,306	273,793
Townships	971	14,506	12,275	3,202
School Districts	-	16,967,826	16,967,826	-
Improvement Districts	183,270	143,091	134,535	191,826
Other Special Districts	-	176,400	176,400	-
Fire Districts	-	29,368	29,368	-
Cemeteries	-	386	386	-
Total Subdivision Funds	\$ 388,377	23,200,540	23,120,096	468,821

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KS
Agency Funds
Statement of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2007

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Sales Tax Fund	\$ 37,859	659,301	668,782	28,378
Game Licenses Fund	-	19	19	-
Heritage Trust Fund	-	11,971	11,971	-
Advance Escrow Fund	129,001	676,338	656,561	148,778
Register of Deeds Office	-	380,094	380,094	-
County Attorney's Office	11,709	16,597	16,500	11,806
County Attorney Restitution Account	358	50,505	50,663	200
County Attorney Trust Account	3,411	16,500	16,305	3,606
Clerk of District Court Office	202,762	2,507,849	2,500,868	209,743
Sheriff Office	133	156,611	156,629	115
Drug Enforcement Trust II Fund	7,229	21,233	9,999	18,463
Community Corrections Fund	46,220	733,257	660,199	119,278
Court Agency Fund	6,533	60,321	58,139	8,715
Court Trustee/Child Support Fund	88,439	205,696	207,344	86,791
Sheriff's Commissary Fund	3,687	21,601	21,609	3,679
NWKS Homeland Security	-	186,757	185,936	821
Total Agency Funds	\$ 537,341	5,704,650	5,601,618	640,373

The notes to the financial statements are an integral part of this statement.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

1. Summary of Significant Accounting Policies:

The County has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the statutory basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

A. Financial Reporting Entity

Ellis County, Kansas, is a municipal corporation governed by an elected three-member commission. These financial statements present **Ellis County, Kansas**, (the primary government) and none of its component units. The County receives funding from local, state, and federal government sources and must comply with the requirements of these funding sources.

Ellis County, Kansas is the primary government as defined in GASB #14 and further amended by GASB #39. The County's Commissioners are elected by the public. They have the authority to make decisions, levy taxes, influence operations and have the primary accountability in fiscal matters.

The following are component units of **Ellis County, Kansas**. The County exercises significant influence or accountability based primarily on operational or financial relationships with the County (as distinct from legal relationship).

Ellis County Fair Board Association

The Fair Board was created by the County Commissioners to administer the Ellis County Free Fair. The Fair Board members are appointed by the County Commissioners. The County substantially funds the operations by levying tax dollars for the free fair. The fair board does not issue audited financial statements and has not been included in **Ellis County's** financial statements. Contact the County Clerk's office for information on how to obtain financial information.

Ellis County Housing Authority

Ellis County is a sponsoring agency for program "Section 8 existing Housing Rental Assistance Program" of the U.S. Department of Housing and Urban Development. As such, the **Ellis County** commissioners serve as the Board of Commissioners with respect to the Ellis County Housing Authority. This Ellis County Housing Authority administers rental assistance payments from the U.S. Department of Housing and Urban Development for the benefit of its qualified residents of **Ellis County**. The program was managed by Development Services of Northwest Kansas, Inc. through October 31, 2007; and by Northwest Kansas Housing, Inc. thereafter. Contact the Ellis County Clerk for obtaining a copy of the financial statements.

B. Basis of Presentation – Fund Accounting

The accounts of the government are organized and operated on the basis of funds. In governmental accounting, a fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the County for the year ended December 31, 2007:

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

B. Basis of Presentation – Fund Accounting (cont.)

Governmental Funds

General Fund – reports as the primary fund of the County. This fund is used to account for all financial resources not reported in other funds.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expend for specified purposes.

Proprietary Fund

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds

Agency Funds – Account for fiduciary assets held by the County in a custodial capacity as an agent on behalf of others.

Private Purpose Trust Funds - to account for assets held by governmental units as trustee or agent for other. The principal and income of these funds may be expended in the course of the fund's designated operations.

C. Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the statutory basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The County has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the County to use the statutory basis of accounting.

D. Departure from Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

D. Departure from Accounting Principles Generally Accepted in the United States of America (cont.)

received during the year in accordance with generally accepted accounting principles. General capital assets that account for the land, buildings, and equipment owned by the County are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

E. Accounting for Capital Assets and Depreciation

The County has not maintained a record of capital assets used in performance of general government operations and the proprietary fund as required by generally accepted accounting principles.

F. Accounting for Long-Term Liabilities

The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds and fiduciary funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Long-term liabilities expected to be financed from governmental funds are not accounted for in the governmental funds.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

G. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

G. Budget Information (cont.)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, fiduciary funds, and the following special revenue funds:

Special Road Machinery Fund, Special Highway Improvement Fund, Fair Operating Fund, Fair Rent Fund, Risk Management Reserve Fund, Capital Improvement Reserve Fund, Capital Equipment Reserve Fund, 911 Tax Fund, Cellular 911 Tax Fund, Cellular 911 Grant Fund, Register of Deeds Technology Fund, Drug Enforcement Unit Trust Fund, Munjor Grant Fund, and Special Fire Machinery Fund.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

H. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds.

I. Deposits and Investments

The County follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund type in the Summary of Cash Receipts, Expenditures and Unencumbered Cash.

As of December 31, 2007, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)	Rating S & P AAA/Sl
		Less than one	
Kansas Municipal Investment Pool	\$ <u>1,817,689</u>	\$ <u>1,817,689</u>	

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds have a main or branch bank in the County in which the County is located or in an adjoining County if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

I. Deposits and Investments (cont.)

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has an investment policy which outlines the investments the County may participate in. The rating of the County's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

The County's allocation of investments as of December 31, 2007, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Kansas Municipal Investment Pool	100%

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County did not use "peak periods" during 2007. All deposits were legally secured at December 31, 2007.

At December 31, 2007, the County's carrying amount of deposits was \$29,314,489 and the bank balance was \$30,200,341. The bank balance was held by eight banks resulting in a concentration of credit risk. Of the bank balance, \$799,013 was covered by federal depository insurance and \$29,401,328 was collateralized with securities held by the pledging financial institutions' agents in the County's name.

In addition, the County had cash and cash items on hand of \$163,386.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At December 31, 2007, the County had invested \$1,814,756 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. Government or any agency thereof, with maturities up to four years. No more than ten percent (10%) of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

J. Property Tax Calendar

Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major property tax payments are received January through July and are recognized as revenue in the year received.

K. Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase as required by state statutes.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

L. Compensated Absences

Sick Leave Policy - Sick leave with pay is granted at the rate of one (1) working day of leave for each full month of employment for all full time employees. Any such leave accrued but unused in any year is cumulative for succeeding years up to a maximum of 180 working days.

The County shall pay for all unused sick leave in an amount not to exceed that accumulated as of December 31, 1991, and payable at each employees' rate of pay as of December 31, 2007, as follows:

1. Retirement or Death - 100% of unused sick leave.
2. Honorable Termination - 50% of unused sick leave not to exceed 90 days.
3. Termination for Cause - No benefits.

Effective January 1, 2002, sick leave days in excess of those days accumulated as of December 31, 1991 will be paid upon retirement, resignation, or death. The pay rate is a maximum of \$40 per day and is based upon years of service.

Vacation Policy - Vacation with pay is granted to full time employees. A minimum of five (5) days and a maximum of twenty (20) days paid vacation is granted based on continuous years of employment. Employees can carry up to ten (10) days over to use in the next year. The maximum total vacation days an employee can accumulate is thirty (30) days. All earned vacation credit is paid upon separation from employment and is computed on the basis of current salary.

Compensatory Time - Payment for accrued compensatory time upon termination of employment shall be calculated at the average regular rate of pay for the final three years of employment, or the final regular rate received by the employee, whichever is the higher.

As of December 31, 2007, the liability for accrued vacation leave is \$406,886, accrued compensatory time is \$7,053, and accrued sick leave is \$222,564. The amount applicable to the Enterprise Fund of \$28,094 has been recorded in that fund and the amount applicable to the other funds of \$608,409 has been shown in Note 10 – Long Term Debt.

M. Defined Benefit Pension Plan

Plan Description – Ellis County, Kansas, participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans as provided by K.S.A. 74-4901, et seq. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy – K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

M. Defined Benefit Pension Plan (cont.)

KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established by statute for January 1, 2007 to December 31, 2007 was 5.31%. **Ellis County, Kansas'** employer contributions to KPERS for the years ending December 31, 2007, 2006, and 2005 were \$221,580, \$272,193, and \$227,074, respectively, equal to the required contributions for each year.

The KP&F employer rate established for the year 2007 was 13.32%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. **Ellis County, Kansas'** contributions to KP&F for the years ending December 31, 2007 was \$249,919.

N. Shared Leave Program

Ellis County, Kansas has adopted a shared leave program which allows the transfer of the accumulated benefit time-hours to any classified/non-exempt employee if the employee or family member experiences a personal hardship that has caused or is likely to cause the employee to take leave without pay or terminate his/her employment.

Shared leave may be used only for the duration of the serious, extreme, or life threatening illness, injury, impairment, or physical or mental condition for which it was collected. The maximum number of hours of Shared Leave that may be used by an employee shall be the total hours that the employee would regularly be scheduled to work during a six (6) month period.

Shared leave shall be paid according to the receiving employee's rate of pay by the receiving employee's department of employment.

O. Deferred Compensation Plan

The County sponsors a deferred compensation plan under the Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The County is not responsible to make any contributions.

P. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the County allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the County is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the County for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

Q. Reimbursements

The County records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

2. Closure and Postclosure Care Cost

The County operates a municipal solid waste transfer station, construction and demolition landfill, yard waste composting facility, and a household hazardous waste facility. State and federal laws and regulations require that **Ellis County, Kansas** place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The County has restricted cash of \$142,283 at December 31, 2007 to utilize for closure and post closure care costs. The County transferred \$12,300 to the Closure and Post-Closure Fund in 2007. The estimated cost to close and clean the Transfer Station and Household Hazardous Waste Facility is \$18,028. It is estimated that an additional \$50,780 will be recognized as closure and postclosure care expenses between the date of the financial statement and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care cost of \$140,528 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2007. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County has a municipal solid waste landfill that was closed April 8, 1994. State and federal laws and regulations require **Ellis County, Kansas** to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The County recognized monitoring costs of \$4,904 for 2007. The future postclosure care cost is undeterminable at this time.

3. Transfers and Payments

Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas Statutes. The County's operating transfers and statutory authority for December 31, 2007 were as follows:

<u>From</u>	<u>To</u>	<u>Authority</u>	<u>Amount</u>
Appraisal	Capital Equipment Reserve	K.S.A. 19-119	\$ 25,000
County Building	Capital Improvement Reserve	K.S.A. 19-120	20,000
Road and Bridge	Special Highway Improvement	K.S.A. 68-590	125,000
Road and Bridge	Special Road Machinery	K.S.A. 68-141g	140,000
Solid Waste	Solid Waste Post-Closure	K.S.A. 65-204	12,300
Rural Fire District No. 1	Special Fire Machinery	K.S.A. 19-3612c	15,000
Fair Rental	Fair Department	K.S.A. 19-119	16,338
General Fund:			
County Clerk	Capital Equipment Reserve	K.S.A. 19-119	1,500
County Treasurer	Capital Equipment Reserve	K.S.A. 19-119	1,000
Computer Information Services	Capital Equipment Reserve	K.S.A. 19-119	30,000
Courthouse General	Capital Equipment Reserve	K.S.A. 19-119	5,000
Election	Capital Equipment Reserve	K.S.A. 19-119	5,000
Sheriff	Capital Equipment Reserve	K.S.A. 19-119	30,000
Courthouse General	Capital Improvement Reserve	K.S.A. 19-120	1,070,000
Health Insurance	Risk Management Reserve	K.S.A. 12-2615	50,000
Total			<u>\$ 1,546,138</u>

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

4. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the statutory basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

5. Risk Management – Claims & Judgments

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. **Ellis County, Kansas** participates in the Kansas County Association Multi-Line Pool (KCAMP) to provide risk of loss, general liability, property, errors and omissions, auto liability, and employee benefit liability insurance. The County joined KCAMP in January 2001. The County, along with other participating counties, contributes annual amounts determined by KCAMP management. As claims arise they are submitted to and paid by KCAMP. During 2007, the County contributed \$125,719 to the fund for this insurance coverage. **Ellis County, Kansas** also participates in the Kansas Workers Risk Cooperative for Counties (KWORC) to provide workers compensation insurance. The County joined KWORC in January 2001. The County, along with other participating counties, contributes annual amounts determined by KWORC management. As claims arise they are submitted to and paid by KWORC. During 2007, the County contributed \$174,688 to the fund for this insurance coverage. There were no significant reductions in insurance coverage from the prior year. The amount of settlements have not exceeded insurance coverage for each of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. At December 31, 2007, the financial statements do not include liabilities for anticipated costs.

6. Litigation

The County is party to various legal proceedings, such as foreclosure actions and tax appeals, which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the County.

7. Grants and Shared Revenues

The County participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the County, any liability for reimbursement, which may arise as the result of the audits, is not believed to be material.

8. Comparative Data

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in the County's cash and unencumbered cash balances. However, complete comparative data (i.e., presentation of prior year totals in Statement 1) has not been presented since its inclusion would make the statement unduly complex and difficult to read.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
December 31, 2007

10. Long-Term Debt

The County has the following long-term debt:

Revolving Loan

Ellis County, Kansas has entered into a revolving loan agreement with the Kansas Department of Health and Environment on behalf of the Munjor Waste Water Improvement District. The Munjor Waste Water Improvement District has dedicated a revenue source to the County for the retirement of this debt.

Ellis County, Kansas has entered into a revolving loan agreement with the Kansas Department of Transportation.

Capital Leases

Ellis County Rural Fire District #1 had entered into a lease purchase for a fire truck on January 13, 2003. The Ellis County Rural Fire District #1 levies the taxes in order to retire this debt. The attached schedule shows this debt separate of the County's obligations.

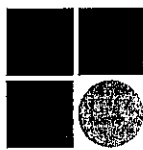
Changes in long-term liabilities for the County at December 31, 2007 and current maturities of long-term debt and interest for the next five years and in five year increments through maturity are included on the next two pages.

ELLIS COUNTY, KANSAS
Notes to Financial Statements
Statement of Changes in Long Term Debt
For the Year Ended December 31, 2007

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
Temporary Notes:										
Emergency Telephone Equipment	Various	09/01/04	\$ 198,897	09/01/07	\$ 61,069	-	(61,069)	(61,069)	-	3,383
Fairgrounds Air Conditioning	3.50%	07/06/04	32,461	08/01/07	10,233	-	(10,233)	(10,233)	-	261
Reclamer Equipment	3.50%	07/06/04	187,539	08/01/07	59,167	-	(59,167)	(59,167)	-	1,544
Total Temporary Notes			418,897		130,469	-	(130,469)	(130,469)	-	5,188
Revolving Loans:										
Kansas Dept. of Health and Environment	2.58%	03/01/05	59,056	09/01/26	57,948	-	(2,263)	(2,263)	55,685	1,481
Kansas Department of Transportation	3.90%	09/05/06	257,502	08/01/16	34,500	146,861	(37,954)	108,907	143,407	1,219
Total Revolving Loans			316,558		92,448	146,861	(40,217)	106,644	199,092	2,700
Amount to be Provided for Compensated Absences										
					552,474	-	-	55,935	608,409	-
Total County Long Term Debt			\$ 735,455		\$ 775,391	146,861	(170,686)	32,110	807,501	7,888
Ellis County Rural Fire District #1	4.02%	01/31/03	\$ 216,189	02/19/10	\$ 130,774	-	(30,779)	(30,789)	99,985	5,252
2003 Pumper Capital Lease										

ELLIS COUNTY, KANSAS
Notes to Financial Statements
Statement of Maturity of Long Term Debt
For the Year Ended December 31, 2007

Issue	2008	2009	2010	2011	2012	2013-2017	2018-2022	2023-2026	Total
Principal:									
Revolving Loans:									
Kansas Dept. of Health and Environment	\$ 2,328	2,394	2,462	2,532	2,605	14,179	16,319	12,866	55,685
Kansas Department of Transportation	34,123	34,995	36,360	37,778	151	-	-	-	143,407
Total Revolving Loans	<u>36,451</u>	<u>37,389</u>	<u>38,822</u>	<u>40,310</u>	<u>2,756</u>	<u>14,179</u>	<u>16,319</u>	<u>12,866</u>	<u>199,092</u>
Interest:									
Revolving Loans	6,556	5,623	4,197	2,713	1,175	4,792	2,842	673	28,571
Total County Principal and Interest	<u>\$ 43,007</u>	<u>43,012</u>	<u>43,019</u>	<u>43,023</u>	<u>3,931</u>	<u>18,971</u>	<u>19,161</u>	<u>13,539</u>	<u>227,663</u>
Rural Fire District Principal:									
2003 Pumper Capital Lease	\$ 32,025	33,311	34,649	-	-	-	-	-	99,985
Rural Fire District Interest:									
2003 Pumper Capital Lease	4,015	2,729	1,391	-	-	-	-	-	8,135
Total Rural Fire District Principal and Interest	<u>\$ 36,040</u>	<u>36,040</u>	<u>36,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,120</u>



Certified
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of County Commissions
Ellis County, Kansas
1204 Fort
Hays, KS 67601

We have audited the financial statements of **Ellis County, Kansas**, as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 29, 2008. The report on the audited financial statements was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America and did not include the component unit. Except as discussed in the preceding sentence, we conducted our audit in accordance with the Kansas Municipal Audit Guide, auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered **Ellis County, Kansas'** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Ellis County, Kansas'** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of **Ellis County, Kansas'** internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects **Ellis County, Kansas'** ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of **Ellis County, Kansas'** financial statements that is more than inconsequential will not be prevented or detected by **Ellis County, Kansas'** internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by **Ellis County, Kansas'** internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as described above.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether **Ellis County, Kansas'** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

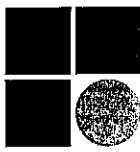
We noted certain other matters that we have reported to management of **Ellis County, Kansas**, in a separate letter dated September 29, 2008.

This report is intended solely for the information and use of the Commission, Management, others within the Organization, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, Federal Awarding Agencies and Pass Through Entities, and is not intended to be and should not be used by anyone other than these specified parties.

Adams, Brown, Beran & Ball

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

September 29, 2008



Certified
Public
Accountants

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of County Commissions
Ellis County, Kansas
1204 Fort
Hays, KS 67601

Compliance

We have audited the compliance of **Ellis County, Kansas**, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2007. **Ellis County, Kansas'**, major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **Ellis County, Kansas'**, management. Our responsibility is to express an opinion on **Ellis County, Kansas'**, compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the *Kansas Municipal Audit Guide*; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Ellis County, Kansas'** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on **Ellis County, Kansas'** compliance with those requirements.

In our opinion, **Ellis County, Kansas**, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of **Ellis County, Kansas**, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered **Ellis County, Kansas'**, internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Ellis County, Kansas'** control over compliance.

Internal Control Over Compliance (Cont.)

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Commission, Management, others within the Organization, and for filing with the Kansas Department of Administration; Division of Accounts and Reports; Federal Awarding Agencies and Pass Through Entities, and is not intended to be and should not be used by anyone other than these specified parties.

Adams, Brown, Beran, & Ball

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

September 29, 2008

ELLIS COUNTY, KANSAS

Hays, Kansas

Supplemental Information

For the Year Ended December 31, 2007

ELLIS COUNTY, KANSAS
 Schedule of Findings and Questioned Costs
 For the Year Ended December 31, 2007

A. Summary of Auditors' Results -

1. The auditors' report expresses a qualified opinion on the financial statements of **Ellis County, Kansas**.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance with Other Matters Based on an Audit of Financial Statements performed in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of **Ellis County, Kansas**, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to each Major Program and on Internal Control over Compliance in accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for **Ellis County, Kansas**, expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this schedule.
7. The programs tested as a major program were:
 - 97.036..... Public Assistance Grant
 - 14.228..... Community Development Block Grant
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Ellis County, Kansas**, does not qualify as a low risk auditee.

B. Compliance - Financial Statement Audit -

No material findings are required to be disclosed under *Governmental Auditing Standards*.

C. Findings and Questioned Costs - Major Federal Award Programs Audit -

No material findings and questioned costs are required to be disclosed under OMB Circular A-133.

ELLIS COUNTY, KANSAS
Summary Schedule of Prior Year Audit Findings
For the Year Ended December 31, 2007

No Prior Year Audit Findings for the year ended December 31, 2006.

ELLIS COUNTY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Agency or Pass Through Number	Expenditures
<u>U.S. Department of Health and Environment</u>			
Passed through Kansas Department of Health & Environment			
Centers for Disease Control & Prevention			
Investigation & Technical Assistance	93.283	264	\$ 32,079
Immunization Grants	93.268	264	2,527
Capitalization Grants for Clean Water			
Preventive Health & Health Services Block Grant	66.458	264	1,695
<u>U.S. Department of Homeland Security</u>			
Passed through Kansas Highway Patrol			
State Homeland Security Program	97.073	-	84,805
Law Enforcement Terrorism Prevention Program	97.074	-	122,937
Passed through the Kansas Adjutant General			
Emergency Management Performance Grants	97.042	034	8,833
Public Assistance Grant	97.036	034	294,527
<u>U.S. Department of Transportation</u>			
Passed through the Kansas Adjutant General			
Interagency Hazardous Materials Public Sector Training			
& Planning Grants	20.703	034	23,290
Highway Planning and Construction	20.205	034	1,693
<u>U.S. Department of Housing and Urban Development</u>			
Passed Through Kansas Department of Commerce			
Community Development Block Grant	14.228	300	228,863
<u>U.S. Department of Justice</u>			
Passed Through Kansas Governor's Office			
Edward Bryne Memorial Justice Assistance Grant Program	16.738	252	112,190
Passed Through Asset Forfeiture and Money Laundering			
Asset Forfeiture and Money Laundering	16.000	-	15,626
Total Federal Awards			<u>\$ 929,065</u>

ELLIS COUNTY, KANSAS

Notes to Schedule of Expenditures of Federal Awards – Statutory Basis
For the Year Ended December 31, 2007

Note 1 - Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of **Ellis County, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the statutory basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 - Homeland Security Grant Program:

Ellis County, Kansas received equipment valued at \$21,806 in 2007 through a Homeland Security Grant Program.